

SENATE BILL REPORT

SHB 1381

As Reported By Senate Committee On:
Ways & Means, March 15, 2007

Title: An act relating to making changes of a technical nature to laws relating to taxes or tax programs, administered by the department of revenue.

Brief Description: Making changes of a technical nature to tax laws.

Sponsors: House Committee on Finance (originally sponsored by Representatives Hasegawa, Orcutt, McIntire and Condotta; by request of Department of Revenue).

Brief History: Passed House: 2/23/07, 94-0.

Committee Activity: Ways & Means: 3/15/07 [DP].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Fraser, Vice Chair, Capital Budget Chair; Pridemore, Vice Chair, Operating Budget; Zarelli, Ranking Minority Member; Brandland, Carrell, Fairley, Hatfield, Hobbs, Honeyford, Keiser, Kohl-Welles, Oemig, Parlette, Rasmussen, Regala, Rockefeller, Schoesler and Tom.

Staff: Dianne Criswell (786-7433)

Background: When legislation is enacted, it frequently contains references to other statutes. These references may become erroneous due to changes made to the referenced statutes by other legislation enacted during the same legislative session. In addition, statutes sometimes include provisions that are limited in time. These provisions become obsolete with the passage of time.

From time to time, administrative agencies suggest statutory revisions for the purpose of increasing clarity or improving administration.

Summary of Substitute Bill: Technical corrections are made to various provisions related to property and excise taxes. These changes include:

- 1) correcting drafting errors, structural problems such as RCW strings that are not in numeric order, inaccurate references to terms that have been changed, and inaccurate cross-references;
- 2) adding or modifying language to clarify statutory provisions;
- 3) reenacting sections of code to merge multiple amendments; and

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

4) repealing several obsolete provisions of code.

In addition, a contingency clause in chapter 67, Laws of 2002, making the act null and void if the federal Mobile Telecommunications Sourcing Act is invalidated by a court, is repealed to eliminate the multiplicity of sections it has generated. The likelihood of court action is extremely remote.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed, except section 5 which takes effect July 1, 2011.

Staff Summary of Public Testimony (on companion SSB 5560): PRO: This bill updates the excise and property tax code. Correcting errors will simplify and clarify tax laws. These corrections help avoid confusion by taxpayers and Department of Revenue staff. Since 2001, the Department has not had a technical corrections bill pass. Therefore, the Department of Revenue is committed to presenting a technical corrections bill that does not contain any substantive changes in the law.

Persons Testifying: PRO: Senator Schoesler, prime sponsor; Gil Brewer, Department of Revenue.